

**REMARKS**

In the January 17, 2006 Office Action, the Examiner noted that claims 28 and 30 were withdrawn and thus, claims 24-27, 29, 31 and 32 were pending in the application; rejected claims 24-27, 29 and 32 under 35 U.S.C. § 102(e); and rejected claim 31 under 35 U.S.C. § 103. In rejecting the claims, U.S. Patent 6,085,176 to Woolston (Reference A in the January 17, 2006 Office Action) was cited. Reconsideration of the claims in light of the comments below is respectfully requested.

**Rejections under 35 U.S.C. § 102(e)**

In item 5 on pages 2-3 of the Office Action, claims 24-27, 29 and 32 were rejected as anticipated by Woolston which is directed to an electronically organized market for secondhand products and is concerned essentially with management of product statuses associated with selling and buying orders received from customers. In contrast, claims 24-27 and 32 recite "maintaining ... records ... concerning ... [a] product that at least one of the customers possesses" (e.g., claim 24, lines 5-6) and "receiving [information] specifying an unwanted product any of the customers does not want any more" (e.g., claim 24, lines 7-8) prior to "consolidating ... records concerned with unwanted products; and presenting a result of said consolidating to potential buyers" (e.g., claim 24, last 2 lines). A benefit of the present invention is that recommendations can be made to a customer of items forming a complete set at a higher premium price than the cumulative prices of these items sold separately by constituting the complete set from the records of items that are no longer required. For example, a multi-volume reference work such as an encyclopedia that has much greater value as a complete set than as individual volumes. In addition, the system can send a purchase offer to a customer who possesses a volume missing from a set that can then be offered for sale as a complete set. Furthermore, it is possible to apply a control for preventing purchase of an item that had been possessed previously, but was disposed of as unnecessary.

While the January 17, 2006 Office Action referred to various teachings of Woolston in rejecting claims 24-27, 29 and 32, there was no indication of where most of those features were allegedly taught by Woolston. Only block Figure 4 and block 214 (which appears in Fig. 3 and contains the words "CREATE DATA RECORD") were specifically referenced. Figure 4 is described as "showing the logical flow of the consignment node market or browse mode" (column 8, lines 21-22). The operations depicted in Fig. 4 relate to calculating, posting and checking bids of an item to be auctioned and if there are no higher bids for 3 calls, then comparing a bid with a reserve and either transferring ownership or canceling the sale. None of

this teaches or suggests maintaining records and processing these records in the manner recited in claims 24-27 and 32. Therefore it is submitted that claims 24-27 and 32 are not anticipated or suggested by Woolston.

Claim 29 recites "maintaining a record concerning ... possessed product" (line 6) and "when receiving a purchase order for an identified product transmitted from the customer ..., ... [if] the identified product is in possession of the customer ...; transmitting ... [a notification] to the customer" (last 5 lines). In other words, claim 29 recites providing a warning to a customer who already has an item and does not need to buy any more, when the customer places a purchase order for the item without realizing that the item already is in the possession of the customer.

In the January 17, 2006 Office Action, it was asserted that column 18, lines 30-47 of Woolston disclosed the features recited in claim 29. However, this portion of Woolston merely states that

It is understood that through the procedures of generating a unique code for each posted good, checking a unique code that identifies each posting terminal 700 against the legal owner entry in a posted good on the market maker computer 800 the database of for-sale goods 814 will be extremely reliable and accurate and assure that a locally sold goods that have already been sold on the market maker computer 800 will not be inadvertently sold twice. The procedures, when used in conjunction with the rules and procedures imposed on the posting terminal user through a franchising or licensing legal framework assure that (1) when a record of a good is found on the market maker computer 800 by a participant 900 or another retailer 902, it is in fact for-sale and is in the physical and legal possession of a "trusted" franchise and (2) that when a bona fide purchase price is tendered by a participant 900 or another retailer 902 the legal title to a good as represented by the record will transfer to the buyer with an immediate or nearly immediate finality to the transaction.

There is no suggestion in these statements of checking to see whether the purchaser needs to purchase a requested item, as recited in claim 29. Therefore, it is submitted that claim 29 is not anticipated by Woolston.

#### **Rejections under 35 U.S.C. § 103(a)**

Claim 31 recites "maintaining ... record types, concerning" (lines 16-17) products "the customer possesses, ... does not possess, ... has already purchased, ... does not need to possess any more that the customer still possesses, and ... does not need to possess that the customer has purchased" (lines 6-15). As result, a customer is not required to maintain on his/her own a list of possessions. Nothing was cited in Woolston to motivate one of ordinary skill in the art to maintain such information. Instead, it was simply asserted that such modification would have been within the skill of one of ordinary skill in the art. The failure to cite motivation in

the prior art for the requisite modification results in a lack of *prima facie* obviousness. See, e.g., *In re Lee*, 277 F.3d 1338, 1343-4, 61 USPQ2d 1430, 1433-4 (Fed. Cir. 2002) (citing *McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1351-52, 60 USPQ2d 1001, 1008 (Fed. Cir. 2001) and numerous other cases), "The factual inquiry whether to combine references ... must be based on objective evidence of record. ... [The] factual question of motivation ... cannot be resolved on subjective belief and unknown authority." For the above reasons, it is submitted that claim 31 patentably distinguishes over Woolston.

### Summary

For the above reasons, it is submitted that the cited references, taken individually or in combination, do not teach or suggest the features of the present claimed invention. Thus, it is submitted that claims 24-32 are in a condition suitable for allowance. Reconsideration of the claims and an early Notice of Allowance are earnestly solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

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